
SENATE BILL No. 317

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1.

Synopsis: Assessment of property damaged by a disaster. Establishes qualifications and procedures for property tax relief for damage caused by a disaster. Repeals current provisions concerning disaster relief.

Effective: Upon passage.

Mrvan

January 8, 2009, read first time and referred to Committee on Tax and Fiscal Policy.

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Introduced

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

SENATE BILL No. 317

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-1.1-1-5.3 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: **Sec. 5.3. "Disaster" has the meaning set forth**
4 **in IC 10-14-3-1.**

5 SECTION 2. IC 6-1.1-4-11.5 IS ADDED TO THE INDIANA
6 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
7 [EFFECTIVE UPON PASSAGE]: **Sec. 11.5. (a) As used in this**
8 **section:**

9 (1) **"damage" means damage to property resulting in partial**
10 **or total loss of use or occupancy of the property;**

11 (2) **"department" refers to the department of local**
12 **government finance;**

13 (3) **"disaster date" means:**

14 (A) **in the case of a disaster occurring after June 30, 2009,**
15 **the last date on which a disaster caused damage, as**
16 **determined by the department under subsection (c), to the**
17 **property of a taxpayer that has filed a petition with the**



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department under subsection (b); or
 (B) in the case of a disaster occurring after December 31,
 2005, and before July 1, 2009, July 1, 2009; and

(4) "property" refers to:

(A) real property;

(B) personal property; or

(C) both real property and personal property.

(b) A taxpayer that is liable for taxes on property assessable in
 a county may file a petition with the department for:

(1) a determination that a disaster has occurred that has
 resulted in damage to the taxpayer's property in the county;
 and

(2) a reduction of the taxes on the property under subsection
 (f).

A taxpayer must file a petition under this subsection not later than
 sixty (60) days after the disaster date.

(c) Immediately upon receipt of a petition under subsection (b),
 the department shall survey each area in which property is alleged
 to have been damaged in the county. Immediately upon completion
 of the survey, the department shall determine:

(1) whether a disaster has occurred as described in subsection

(b)(1); and

(2) if a disaster has occurred, the disaster date.

(d) If the department determines that a disaster has occurred as
 described in subsection (b)(1), the department shall forward:

(1) the determination; and

(2) each petition received by the department under subsection

(b) with respect to the same disaster;

to the county assessor of the county for which the determination is
 made.

(e) Immediately upon receipt of the information under
 subsection (d), the county assessor shall examine the property for
 which each petition is filed and determine:

(1) whether the damage to the property was caused by the
 disaster; and

(2) if the damage to the property was caused by the disaster,
 the amount of damage to the property expressed as a
 percentage.

(f) The county assessor shall immediately notify the county
 auditor of each percentage determined under subsection (e)(2). The
 county auditor shall reduce the taxes on property for which a
 percentage is determined under subsection (e)(2):

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(1) for each of the first two (2) property tax installments due after the disaster date; and

(2) by an amount equal to the product of:

(A) the property tax installment; multiplied by

(B) the percentage determined under subsection (e)(2).

(g) The county auditor may make a tax reduction under this section by:

(1) an adjusted tax statement issued before the tax due date by coordination with the county treasurer; or

(2) a refund after the tax due date.

A taxpayer is not required to file a claim to receive a refund under this subsection. The county auditor shall make a refund to a taxpayer under this subsection not later than thirty (30) days after receipt of notice regarding the taxpayer's property from the county assessor under subsection (f).

(h) If a taxpayer receives a reduction in the taxpayer's property taxes under subsection (f), the taxpayer must notify the county assessor immediately upon completion of the improvement, repair, rehabilitation, or reconstruction of the taxpayer's property damaged by the disaster that restores the taxpayer's use or occupancy of the property to a level comparable to the taxpayer's use or occupancy of the property before the disaster date.

SECTION 3. IC 6-1.1-18-3, AS AMENDED BY P.L.146-2008, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Except as provided in subsection (b), the sum of all tax rates for all political subdivisions imposed on tangible property within a political subdivision may not exceed:

(1) forty-one and sixty-seven hundredths cents (\$0.4167) on each one hundred dollars (\$100) of assessed valuation in territory outside the corporate limits of a city or town; or

(2) sixty-six and sixty-seven hundredths cents (\$0.6667) on each one hundred dollars (\$100) of assessed valuation in territory inside the corporate limits of a city or town.

(b) The proper officers of a political subdivision shall fix tax rates which are sufficient to provide funds for the purposes itemized in this subsection. The portion of a tax rate fixed by a political subdivision shall not be considered in computing the tax rate limits prescribed in subsection (a) if that portion is to be used for one (1) of the following purposes:

(1) To pay the principal or interest on a funding, refunding, or judgment funding obligation of the political subdivision.

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(2) To pay the principal or interest on an outstanding obligation issued by the political subdivision if notice of the sale of the obligation was published before March 9, 1937.

(3) To pay the principal or interest upon:

(A) an obligation issued by the political subdivision to meet an emergency which results from a ~~flood, fire, pestilence, war, or any other major~~ disaster; or

(B) a note issued under IC 36-2-6-18, IC 36-3-4-22, IC 36-4-6-20, or IC 36-5-2-11 to enable a city, town, or county to acquire necessary equipment or facilities for municipal or county government.

(4) To pay the principal or interest upon an obligation issued in the manner provided in:

(A) IC 6-1.1-20-3 (before its repeal);

(B) IC 6-1.1-20-3.1 through IC 6-1.1-20-3.2; or

(C) IC 6-1.1-20-3.5 through IC 6-1.1-20-3.6.

(5) To pay a judgment rendered against the political subdivision.

(6) This subdivision expires January 1, 2009. To meet the requirements of the family and children's fund for child services (as defined in IC 12-19-7-1, before its repeal).

(7) This subdivision expires January 1, 2009. To meet the requirements of the county hospital care for the indigent fund.

(8) This subdivision expires January 1, 2009. To meet the requirements of the children's psychiatric residential treatment services fund for children's psychiatric residential treatment services (as defined in IC 12-19-7.5-1, before its repeal).

(c) Except as otherwise provided in IC 6-1.1-19 (before January 1, 2009), IC 6-1.1-18.5, IC 20-45 (before January 1, 2009), or IC 20-46, a county board of tax adjustment, a county auditor, or the department of local government finance may review the portion of a tax rate described in subsection (b) only to determine if it exceeds the portion actually needed to provide for one (1) of the purposes itemized in that subsection.

SECTION 4. IC 6-1.1-4-11 IS REPEALED [EFFECTIVE UPON PASSAGE].

SECTION 5. [EFFECTIVE UPON PASSAGE] (a) **IC 6-1.1-1-5.3 and IC 6-1.1-4-11.5, both as added by this act, and IC 6-1.1-18-3, as amended by this act, apply only to property taxes first due and payable after December 31, 2008.**

(b) **IC 6-1.1-4-11, as repealed by this act, applies only to property taxes first due and payable before January 1, 2009.**

(c) **This SECTION expires January 1, 2010.**

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1 SECTION 6. **An emergency is declared for this act.**

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